



EXPORT NEWS

A newsletter of the
U.S. Export Assistance Center
Houston, Texas

July 2006

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DID YOU KNOW...

HOUSTON NATION'S FASTEST GROWING CUSTOMS DISTRICT

IN 2005, 30 % GAIN IN TOTAL IMPORT / EXPORT VALUE

The Houston-Galveston Customs District--the fifth-most-important in the country--posted international trade in excess of \$136 billion in 2005, a jump of 30.1 percent from the year before. Only three other Customs districts, all much smaller, posted similar gains. Both exports and imports saw gains in the Houston district, with exports up 18 % and imports jumping by 37.3 %.

On the export side, among Houston's main exports were non-crude petroleum products, worth \$5.5 billion --an increase of 53 % --with \$16 million of that heading to China. Houston also sent \$4 billion worth of machinery parts & doubled its telephony equipment exports to \$668 million from \$334 million in 2004, a 111 % jump. Neighboring Mexico, with \$15 billion in trade, safely retained its position as the most-important trading partner for the Houston-Galveston Customs District in '05. Energy-rich Venezuela & Nigeria rounded out the Top 3 trading partners list. Venezuela came in 2nd with \$12.5 billion in trade and Nigeria followed at \$6.3 billion, but Nigeria's place among the Big Three may not last long. No. 4 China is fast-approaching the African nation, with \$5.9 billion in commerce with the area last year. More details are available in **Houston 2006 Trade Numbers** or <http://www.worldcityweb.com/home/HOU/statistics/view/10/>.

EU ELECTRICAL / ELECTRONIC DIRECTIVE

ROHS TOOK EFFECT JULY 1

The *Restriction of Use of Certain Hazardous Substances* (RoHS) Directive went into effect July 1. Since August 2005, companies selling a broad range of electrical goods in Europe were required to conform to the Waste Electrical and Electronic Equipment Directive (WEEE). As of July 1, those same companies will need to conform to the RoHS Directive.

For additional information on the status of WEEE / RoHS implementation, and producer requirements, see: <http://www.buyusa.gov/europeanunion/weee.html>.

CS INDUSTRY-FOCUSED NEWSLETTERS

Through e-Market Express - <http://www.buyusa.gov/eme/>

Register to receive the latest CS market research, trade leads and events in the following sectors:

Aerospace & Defense	Environmental
Agribusiness	Franchising
Automotive	Health Care
Architecture/Engineering/	Information/Communication Tech
Construction	Safety & Security
Cosmetics & Toiletries	Textile & Apparel
Energy	Travel & Tourism.



WHO WE ARE ...

The Houston U.S. Export Assistance Center is part of the U.S. Department of Commerce's U.S. & Foreign Commercial Service (CS). The CS mission is to assist small-to-medium sized businesses with exporting their products and services worldwide. To learn more, visit www.export.gov/cs.

WOOD PACKAGING MATERIALS REGULATION UPDATE

On July 5, any ISPM-15 marked or unmarked wood packaging material (WPM) that is found to be infested with a live wood boring pest of the families Cerambycidae (longhorned beetle), Buprestidae (woodboring beetles), Siricidae (woodwasps), Cossidae (carpenter moth), Curculionidae (weevils), Platypodidae (ambrosia beetles), Sesidae (clearwing moths) and Scolytidae (bark beetles) will require immediate re-exportation at the importers expense. For details, see: http://www.aphis.usda.gov/newsroom/hot_issues/wood_packing.shtml.

For a list of Wood Packaging Material Requirements, by county, see:

http://www.fas.usda.gov/ffpd/WTO_SPS_TBT_Notifications/WPM%20Notifications/WPM_Summary_Table09-28-05.pdf.

VIETNAM: 3 EZ STEPS TOWARD EXPORT SUCCESS

Ho Chi Minh City, Hanoi, and Danang are burgeoning into cosmopolitan cites that are bustling with small businesses and tourists. Exporting to Vietnam is not as difficult as one would think! The U.S. Commercial Service in Vietnam offers an "E-Counseling" Suite in 3 EZ Steps allowing U.S. companies to discuss business prospects live with our Commercial Specialists in Hanoi and Ho Chi Minh City. The suite includes email, Voice over Internet Protocol, and Web conferences at a moderate cost. For more details, call our office or visit: <http://www.buyusa.gov/vietnam>.



MEXICO: MAJOR INFRASTRUCTURE PROJECTS

This multiple-sector report provides information regarding the market for equipment and services that are used in the major infrastructure projects throughout Mexico. It includes valuable data regarding the procurements made in the most important industry sectors, such as energy, transportation and communications. See <http://www.insider.ita.doc.gov>.

DEEMED EXPORTS: 8 BEST PRACTICES TO REMAIN COMPLIANT

The June 2006 edition of IOMA's *Managing Exports & Imports* included an article on this topic. You can read and/or download a copy at: <http://www.buyusa.gov/southcarolina/currenttradeissues.html>.

Market of the Month: Azerbaijan

The Republic of Azerbaijan offers a small but fast developing market that has shown impressive, sustained economic growth. The Caspian region of the country is rich in oil, with agriculture being the second largest sector. The influx of investment and petrodollars into Azerbaijan's relatively small market has the economy working on overdrive and offering U.S. export opportunities to satisfy the country's growing purchasing power. The main U.S. exports to Azerbaijan include **industrial capital equipment, boilers, parts, machinery, aircraft, meat products, electronic equipment, and various services** (legal, financial, and engineering).

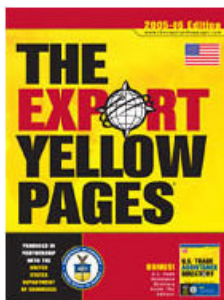


Key challenges for Azerbaijan include implementing anti-corruption legislation, improving the legal and regulatory framework for business, maintaining fiscal discipline, and continuing privatization. For details http://www.export.gov/articles/Azerbaijan_MoM.asp

Other reports available on Azerbaijan include:

- * U.S. Assistance to Azerbaijan - Fiscal Year 2006
http://www.bisnis.doc.gov/bisnis/bisdodoc/0606US_AJ_FactSheet.htm
- * Asian Development Bank (ADB) Country Strategy & Program Update: Azerbaijan 2006
http://www.bisnis.doc.gov/bisnis/bisdodoc/0606ABD_AJ_2006.pdf
- * Azerbaijan: ADB Outlook 2006
http://www.bisnis.doc.gov/bisnis/bisdodoc/0606AJ_ADBOutlook2006.pdf
- * European Bank for Reconstruction & Development Country Fact Sheet - Azerbaijan, Dec 2005
http://www.bisnis.doc.gov/bisnis/bisdodoc/0605EBRD_Azer.pdf

THE EXPORT YELLOW PAGES



Created through an exclusive partnership with the U.S. Department of Commerce (USDOC) and Global Publishers LLC, *The Export Yellow Pages* gives U.S. exporters a simple and convenient way to establish contacts and conduct global business. For more information and to register for the web edition (and for the upcoming print edition), go to:

<http://www.exportyellowpages.com>.

CHINA: PROTECT YOUR COMPANY FROM SUSPICIOUS TRANSACTIONS

Although China's booming economy offers great opportunities, businesses looking to invest or export to any country should always exercise due diligence. Below is a list of Red Flags to watch for as well as some suggested measures to protect your business. To report suspicious business offers from China, contact our office or the China Business Information Center at www.export.gov/china/.

Red Flags - suspicious practices:

In the larger scheme, the points below warrant caution & more thorough due diligence.

- Ⓜ Limited details or unwillingness to provide information on the project in which the materials will be applied or the end user.
- Ⓜ Incomplete information on the purpose of the 'fees' outlined in the contract.
- Ⓜ Inability to specifically explain the regulations or government entities that are allegedly imposing certain fees.
- Ⓜ Insistence that the contract is only legitimate if signed in China.
- Ⓜ Cash requested for cost of hosting a banquet is far in excess of typical costs. (While banquets are a traditional business activity, the U.S. entity can arrange for a banquet through their hotel. While costs vary, a nice event for 10 might run \$200.)
- Ⓜ Requests for an invitation letter to visit the U.S. facility prior to any substantive communication about purchase terms or exchange of company background information.

To protect your business, suggestions:

- ☞ Request a copy of the business license; check validity of address and phone number, license validity date, and name of registered representative.
- ☞ Request a copy of the company's certificate of import / export authority.
- ☞ Verify the company's international trade experience and avoid firms that have less than 2 years experience.
- ☞ Seek multiple references & check them. Request referrals to both suppliers & customers. (For a fee, CS can produce an International Company Profile.)
- ☞ Accept only secured forms of payment such as letter of credit or direct wire transfers.

EVENTS

INCOTERMS / LETTERS OF CREDIT APPLICATIONS & STRATEGIES

Wyndham Hotel Greenspoint

July 25

Presented by the Logistics and Supply Chain Program of the University of Houston in partnership with FedEx. Cost \$125 per person. Lunch provided by FedEx. For details, contact May Lew at (713) 743-4090 or mylew@central.uh.edu.

2006 OWIT WORLD CONFERENCE - BUILDING BRIDGES FROM MARKET ACCESS TO GLOBAL TRADE

San Francisco, CA

September 13-15

The Organization of Women in International Trade (OWIT) Conference annual world conference provides a forum for professionals worldwide to learn, network and grow professionally with hundreds of their peers, industry leaders and experts in such areas as international trade best practices, supply chain management, compliance, and multicultural implications of international trade. Cost: before Aug. 14, \$375 member/ \$450 non-member. For details, visit http://www.wit-nc.com/Conference_home.htm

MADE IN AMERICA 2006

Beirut, Lebanon

Sept 19-21

The 4th annual trade fair promoting U.S. products and services in Lebanon will be held at the Beirut International Exhibition & Leisure Center (BIEL). The U.S. Departments of Commerce and State, will host this event to showcase the latest American technology and to assist American businesses in taking advantage of the expanding commercial relations between Lebanon and the United States. Cost: \$750 for 3x3 m2 stand. New to market companies, which are not already present in Lebanon, will be offered their stands at a reduced fee of \$ 500. For details, including a list of 2005 exhibitors, see <http://www.buyusa.gov/lebanon/en/madeinamerica.html>.

WOMEN'S GLOBAL LEADERSHIP CONFERENCE IN ENERGY & TECHNOLOGY

Hilton Americas Hotel Houston

November 2

Featuring industry and governmental leaders with career focused breakout sessions. Cost: before Sept. 1, \$525. See <http://www.gulfpub.com/default.asp?page=14&productID=5755>.



EVENTS ON INDIA

**EXPLORE BANGALORE ON-LINE SEMINAR**

July 17

10:00 AM Central Time

Known as "the Silicon Valley of India", Bangalore presents tremendous opportunities for all types of companies. Over 760 American companies are doing business in Bangalore, and in 2005 the U.S. was ranked as Bangalore's largest trading partner. Principal Commercial Officer, Mr. Mark Russell from the CS-India and Senior International Economist Dr. Abdul Shaikh from the U.S. Commercial Service-Washington, DC will discuss the business climate of Bangalore and respond to your industry-specific questions. For your access information and pass code Linda.Abbuzzese@mail.doc.gov.

**INDIAN REFINING INDUSTRY BRIEFING**

Hilton Houston Post Oak Hotel

August 11

As a result of rapid economic growth, additional refining capacity has become a priority for India as the industry strives to supply the **growing demand for cleaner transportation fuels**. During the business briefing, you and your company will have the opportunity to receive the latest information on modernization projects in India's refining sector requirements and to discuss your products in one-on-one meetings with seven senior officials from Indian public and private oil companies who are responsible for their expansion and upgrading projects. For details, including the Indian government participants, see http://www.ustda.gov/USTDA/About_USTDA/Events/India%20Refinery%20OV%20-%20BB%20Flyer.pdf.

**SELLING TO INDIA JUST GOT EASIER
CS BUSINESS MISSION TO INDIA**

November 29 - December 5

Led by Under Secretary for the Commerce's International Trade Administration Franklin L. Lavin, the mission will start at the Mumbai Business Summit and then branch to one of 6 spin-off business matchmaking missions to **Bangalore, Kolkata, Chennai, Hyderabad, Mumbai, or New Delhi**.

The Mumbai Business Summit

November 29 - 30

Summit participants will have access to India's high-level business, industry, and government representatives and opportunities to gain insights into the country's trade and investment climate during strategic breakout sessions.

Spin-off Business Matchmaking Missions

December 4-5

Narrow your focus and get serious about India by continuing on to Bangalore, Kolkata, Chennai, Hyderabad, Mumbai, or New Delhi. The U.S. Commercial Service will arrange market briefings, networking receptions, and one-on-one business appointments with prospective agents, distributors, partners, and end-users for each U.S. company.

Cost:

- ☆ Mumbai Business Summit: \$500
- ☆ Spin-off mission 12/4-5: \$1,600
- ☆ One-day mission in Mumbai on 12/1: \$900

Prices do not include travel, lodging, meals, or third-party registration fees. Register now to apply. For more details, including a market overview see <http://www.export.gov/indiamission/>.

See p. 5 for a RENEWABLE ENERGY REVERSE TRADE MISSION FROM INDIA going to in Chicago and LA in August.

Note: The U.S. Government does not endorse products or companies, and assumes no responsibility for the accuracy of data contained herein, or for the success or failure of any business transaction resulting from opportunities listed in this publication. **If you would like to be removed from this mailing list, please contact the Houston Office.**

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TRADE LEADS

Australia: Hose and cable float collars

Leading Australia distributor interested in speaking with US manufacturers of float collars for the offshore oil industry. Seen to be a solid moving product with significant planned growth.

ENERGY EVENTS

FIGAS

Lima, Peru

August 24-26

International trade show and conference specializing in equipment, supplies, and services for the natural gas sector. CS will sponsor a booth and catalog show. Registration deadline: July 31. For details, see <http://www.buyusa.gov/peru/en/122.html>.

PETROBRAS/BRAZIL OIL & GAS PROCUREMENT

Houston

August 23

Representatives from Petrobras and Devon Energy will present procurement opportunities for their operations in Brazil. Private meetings with the speakers following. More information available shortly. Contact our office for details.

ADIPEC

United Arab Emirates

November 5-8

The Abu Dhabi Int'l Petroleum Exhibition & Conference is the premier oil & gas show in the Middle East/North Africa. There will be a US pavilion & CS will sponsor a booth. For details, <http://www.adipec.ae/>.

AUSTRALASIAN OIL & GAS EXHIBITION

Perth, Western Australia

February 21-23, 2007

Western Australia ranks among the best areas in the world for new petroleum exploration and production. The ever increasing demand for these petroleum reserves has generated a wealth of opportunities for all manufacturers associated with petroleum exploration, production, refining and processing as well as marine engineering. Held every two years in Perth, AOG over the past 25 years has become the premier regional oil and gas show attracting key buyers and developers. A U.S. Department of Commerce-certified USA Pavilion is being organized at AOG 2007. For more information, please visit: <http://www.imexmgt.com/shows/AOG2007>.

INBOUND RENEWABLE ENERGY MISSION FROM INDIA

Pre-scheduled One-on-One Meetings Available

August 7

Energy 2006 (DOE sponsored trade show)
Hyatt Regency Chicago

August 9

Doubletree Hotel Los Angeles International Airport

The Commercial Service under the auspices of the Asia Pacific Partnership for Clean Development & Climate have organized an inbound renewable energy trade mission from India.

The trade mission includes representatives from 15 Indian renewable energy companies who are interested in meeting with U.S. technology suppliers. The event will build on the success of previous inbound missions and will offer an opportunity for mission participants to establish relationships with leading U.S. renewable energy companies. In organizing this visit the Commercial Service recognizes the critical importance that renewable energy will play in assuring sustained economic growth in the region as well as enhancing our nation's energy independence.

Cost for matchmaking: \$50 per location (meetings will be held on the show floor). For further details, including a list of participants & equipment needs / interests, see

<http://www.buyusa.gov/eme/indiatm.html>.

RENEWABLE ENERGY INTERNATIONAL EXHIBITION

Chiba, Japan

October 11-13

With participants from more than 40 countries and over 40,000 visitors, this is Japan's largest event for the renewable energy industry. Industry analysts estimate that Japan's market in 2005 stood around \$1.2 billion and will likely grow to \$2.0 billion in 2011. Fueling that growth in part are the Japanese government's efforts to achieve various policy targets through the establishment of new laws, a number of deregulation measures, different forms of subsidies, tax reductions, and demonstration projects. Furthermore, many local governments are undertaking energy development projects. Cost: U.S. Product Literature Center (PLC) - \$650. PLC plus Gold Key Service - \$1,400. For details, <http://www.buyusa.gov/japan/en/renewable2006plc.html> or contact Mr. Ken Kobayashi at kenji.kobayashi@mail.doc.gov or Tel: +81-3224-5054, Fax: +81-3224-5071.